(one-quarter of the £3), or the market price will be 98f; and the growth continues, in the same way, to the date when the next payment of interest becomes due, when on such payment being effected the price descends to 98 by the removal of that amount. This successive increase may be properly termed *natural,* for it is accordant with the nature of man not to part with a benefit without receiving its full equivalent—that is to say, in the present case the price of the capital itself of the bond with the increment of value which the accruing interest has conferred. Assume, then, that the day before the books are closed the stock is sold, but the transfer is too late for registration, or that the stock is disposed of while the books remain closed. On the day of sale the price of the stock would be increased, as has been shown, by the increment of the accruing interest or dividend; further, the name of the vendor would continue as the owner on the books, as the reader has been told (until they were reopened), and the cheque for the interest or dividend would be forwarded to him; hence, if no interposing practice existed, he would receive the dividend or interest twice—first in the accrued amount, and secondly in the actual payment. Here, then, intervenes the rule of the Stock Exchange, and settles the ownership of the dividend declared or about to be paid. This rule defines the time, and marks that time by the attachment of the symbol against the quotation, when accordingly the price of the stock or shares on sales and purchases is fixed without the inclusion of the dividend or interest in question.

The procedure and its equity can be best exemplified by adopting an actual case with comments. The reader should compare the following events with the different dates furnished, and he will then obtain a full comprehension and rule adapted to *all* instances. I take the 3 per cent debenture stock of a leading railway—the London and North-Western.

1. The half-year's interest was due on the 15th of January, 1908 : the transfer books of the company were closed from the 1st to the 15th of January, both inclusive: the dividend warrants were

posted on the 14th of January (in order to reach the holders on the due date): the stock was marked *x d.* in the official list on the 16th of January; and the account day on